Scheme" in order to expand the production base of textile and garment sector. The Scheme envisages to create 25 Textile Parks of international standard at potential growth centres of India by 2007-08.

(v) The fiscal duty structure has been generally rationalised to achieve growth and maximum value addition within the country. Except from mandatory excise durty on man-made filament yarns and man-made staple fibre, the whole value addition chain has been given an option of excise exemption.

(vi) The import of specified textiles and garment machinery items has been allowed at a concessional rate of customs duty to encourage investments and to make our textile products competitive in the global market. The cost of machinery has also been reduced through fiscal policy measures.

(vii) Duty-free imports of 21 items of trimmings and embellishment items are allowed to the garment exporters, upto3% of their actual export performance during the previous year.

(viii) For the speedy modernisation of the textile processing sector, Government has introduced, w.e.f. 20-4-2005, a credit linked capital subsidy scheme @10% under TUFS, in addition to the existing 5% interest reimbursement.

(ix) The National Institute for Fashion Technology (NIFT), its seven branches, and the Apparel Training & Design Centres (ATDCs) are running various courses/programmes to meet the skilled manpower requirements of the textile industry, especially apparel, in the field of design, merchandising and marketing.

(x) Facilities like eco-testing laboratories have been created to enable exporters to get garments/textiles pre-tested so that they conform to the requirements of the importing countries.

Beneficiaries of Integrated Textile Parks

2878. SHRI KANJIBHAI PATEL:
SHRI JAYANTILAL BAROT:
SHRI VIJAYKUMAR RUPANI:

Will the Minister of TEXTILES be pleased to state:

(a) whether a new scheme for integrated textile parks has been formulated by merging the two existing schemes, *i.e.* scheme for apparel parks of exports and textiles sector infrastructure development scheme;

(b) if so, whether the scheme has been formulated to benefit private exporters only;

(c) whether only garment/textile manufactures' groups of certain companies would be beneficiaries under this scheme;

(d) what are the reasons for depriving Government institutions or Government PSU Units the benefits of the scheme;

(e) whether proposal under old scheme, received at time of formulation of this scheme, were not considered by Government; and

(f) if so, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI E.V.K.S. ELANGOVAN): (a) The Scheme for Integrated Textile Park (SITP) was approved in July 2005 by merging the erstwhile Textile Centres Infrastructure Development Scheme (TCIDS) and the Apparel Parks for Exports Scheme (APES).

(b) and (c) The SITP is based on Public Private Partnership (PPP) model, where industry Associations/Group of Entrepreneurs would be the main promoters of the Textile Park by forming a Special Purpose Vehicle (SPV), which shall be a Corporate Body registered under the Companies Act.

(d) The Scheme provides for funding of project through a mix of Equity/Grant from the Government of India (GOI), State Government, State Industrial Development Corporation, and Loan from Banks/Financial Institutions. However, the combined equity stake of GOI/State Government/State Industrial Development Corporation, if any, should not exceed 49%. The remaining 51% of the equity will have to be retained by the SPC so that it shall have operational autonomy.

(e) and (f) All projects sanctioned under the APES and TCIDS where works has started before 31.07.2005 are continued to be eligible for Government assistance. However, after merger of the schemes, no further proposal was approved under the APES and TCIDS. The primary reasons for discontinuation of the APES and TCIDS *inter alia,* include the following:

* The schemes heavily depended on the initiative and resources of State Governments. In many cases, there was no involvement of the industry at the planning and implementation stages.
* Shortage of resources with the State Government to provide advance money as required under the scheme.
* Protracted delays in acquisition/purchase of land.
* Funding was totally based on Government of India subsidy; virtually no effort was made for leveraging of market funds to address the infrastructure needs comprehensively.